

**From:** "Rand Crafts" <rand-c@ipsc.com>  
**To:** <mradulovic@utah.gov>  
**Date:** 6/20/02 1:41PM  
**Subject:** Follow-up: Clarification Letter

Milka,

I have found nothing that would change IPSC's stance on the WEPCO issue. It is difficult to make an interpretation when an applicable rule is mute on a specific issue. That usually means that if that issue is discussed elsewhere, that intended meaning should continue to apply. Since WEPCO is silent on how the actuals-to-future-actuals test is applied during an ongoing construction of a project while the source continues to operate, we are left to look to the rest of PSD where this issue is explored in detail. This is appropriate to do since WEPCO is a PSD rule.

Referring to EPA's NSR manual and other guidance under PSD, we find that the EPA makes it extremely clear that a series of small projects, especially relating to de-bottlenecking, and which are related in terms of an overall project scope, must be considered a single project under PSD, and hence, any portion of PSD that would apply to such a project. Please refer to the discussion on accumulation of emissions in section III.B.1, pages A.36 and A.37. It summarizes and clarifies this issue very well.

If we were to piecemeal the project and do a WEPCO analysis for each phase of the project as DAQ proposes, we would find ourselves in direct conflict with EPA's intent. For instance, IPSC could do a WEPCO analysis for the currently installed portion of the dense pack uprate project, and emit 39 tons more of NOx or SO2 than the two years prior to that phase. Then upon completion of the second phase of the project, another 39 tons more could be emitted over the two years prior to construction of that portion. And the same would hold true for the third & final phase. Hence, theoretically, we could emit up to 120 tons more of NOx and SO2 after the whole project was completed than before project construction began. This is exactly what the EPA intended to prohibit and discusses in it's guidance and policy as circumventing PSD.

Again, the EPA is very clear on this. A series of small, but related projects completed in a short time (the EPA used 2 years in its examples) are to considered a single project under PSD, even while the source continues to operate.

This guidance, along with our discussion presented in our letter of June 14, 2002 to DAQ should be sufficient to indicate that the application of new permit limits and the accounting under WEPCO begins upon completion of the entire dense pack project as outlined in our Notice of Intent and subsequently approved and permitted. I hope this helps.

If you have any questions, or want to discuss this further, please feel free to call. Thanks.

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**CC:** "Blaine Ipson" <BLAINE-I@ipsc.com>, <jholtkam@LLGM.COM>

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